

*Internal Audit Report*

**RETIREMENT AUDIT  
JAMES N. ROBEY  
HOWARD COUNTY EXECUTIVE  
FEBRUARY 2007**

*Office of the County Auditor*





## OFFICE OF THE COUNTY AUDITOR

Keith Zumbrun C.I.S.A.  
Acting County Auditor

February 2007

The County Council and County Executive  
of Howard County, Maryland

Pursuant to Section 213 of the Howard County Charter we have conducted a

TERM EXPIRATION AUDIT  
FOR  
JAMES N. ROBEY

and our report is submitted herewith. The charter requires the County Auditor to perform an audit upon the "...death, resignation, removal or expiration of term of any County administrative officer." This audit was initiated because of the Expiration of term of James N. Robey, as County Executive effective December 4, 2006.

Our review indicated that the assets relating to and under the control of Mr. Robey have been adequately accounted for in accordance with County requirements. The Administration will be responsible for distributing a copy of this report to Mr. Robey and arranging for implementation of any recommendations. We wish to express our gratitude to the staffs of the Chief Administrative Officer, the Office of Human Resources for their cooperation and assistance extended to us during the course of this engagement.

A handwritten signature in black ink, appearing to read "Keith Zumbrun".

Keith Zumbrun, C.I.S.A.  
Acting County Auditor

A handwritten signature in black ink, appearing to read "Stephen E. Peters, Jr." followed by the initials "CA".

Stephen E. Peters Jr., C.P.A.  
Auditor-in-Charge

## INTRODUCTION AND SCOPE

In accordance with Section 2130 of the Howard County Charter, the County Auditor is required to perform an audit upon the "...death, resignation, removal or expiration of term of any County Administrative Officer." Mr. James N. Robey was the Howard County Executive until the expiration of his term on December 4, 2006. Accordingly, we have performed a review of the leave records and final pay records of the Howard County Office of the County Executive for the period July 1, 2006 through December 4, 2006 that related to Mr. Robey. In addition, we reviewed the County's financial records at November 30, 2006 to determine that the Office of the County Executive was within its budget allocation.

Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and other auditing procedures, as we considered necessary in the circumstances. This primarily involved a review of travel advances, expense reimbursements, leave records, final pay, release of signatory authority, cancellation of computer systems access, and the custody and return of County property.

## **FINDINGS AND RECOMMENDATIONS**

### Travel Advances and Expense Reimbursements

We reviewed travel advances and expense reimbursements for James N. Robey for the period July 1, 2006 through December 31, 2006. There were no travel loans made to Mr. Robey, therefore no discrepancies or irregularities were disclosed by this review.

### Leave Records and Final Pay

The County Executive does not accrue leave. Our review showed that no leave was taken by or paid to Mr. Robey. Additionally, we examined the final paycheck issued to Mr. Robey. No discrepancies were disclosed by this review.

### County Assets and Access to County Property

The Separation from Employment section of the Howard County Employee Manual requires the employee to surrender all property issued by the County. We obtained a copy of the "Final Employee Inventory Checklist for Termination" of assets under Mr. Robey's control that indicated his Employee Identification card was lost, but that all other assets under his control had been returned. This included his vehicle, pager, cell phone, access card and two keys. Additionally, Mr. Robey's signature authority over County bank accounts was deleted. We also determined that Mr. Robey's access to Howard County data processing privileges had been revoked and his authority had been purged from the Purchasing system. Mr. Robey had filed an Affidavit of Compliance for his Financial Disclosure Statement on his last day, indicating that the information from his previous Financial Disclosure Statement had not changed.

### Encumbrances and Expenditures

A Schedule of Obligations vs. Budget for the Office of the County Executive for the five months ended November 30, 2006 is presented in Schedule 1 of this report. This review was made to determine if any overexpenditures occurred or were anticipated in Mr. Robey's immediate area of responsibility. We found that none of the areas under Mr. Robey's control had expenditures in excess of budget. Additionally, after extrapolating these costs over an entire year, we anticipate

expenditures to exceed budget in Salaries and Wages, but that the department overall should finish the year under budget.

Additionally, since Mr. Robey was responsible for overall County spending, a schedule of Obligations vs. Budget for each agency of the County for five months ended November 30, 2006 is presented in Schedule 2 of this report. As of November 30, 2006, total expenditures did not exceed total appropriations for the County and, based upon the spending patterns through that date, over expenditures of the Fiscal Year 2007 budget should not occur.

### Policies and Procedures

In regard to policies and procedures for employee resignations, the county follows the "Separation from Employment" section of the Employee Manual, which lists various duties *as the responsibility of the resigning employee* when separating from the County. Before the adoption of the current Employee Manual, the separation policy required that Human Resources obtain certification from the Purchasing Division, the Central Services Division, and the Department of Technology and Communication Services regarding the suspension of the employee's access to County assets and property. We believe that the responsibility for ensuring that the departing employee had surrendered all assets and access to County property rests with both the employee and the various County agencies that granted access to County assets. The appropriate agencies should certify to Human Resources that the employee's access has been rescinded and that all county assets have been surrendered. A representative of the Office of Human Resources should verify and document that the employee and County agencies have fulfilled their respective obligations. We therefore recommend that:

1. *The Office of Human Resources should amend the general rules related to separation from employment to provide for an independent verification of compliance with these rules. The revised procedures should specify that a representative of the Office of Human Resources is responsible for verifying that all items such as identification cars, keys, procurement cards and any other property issued by the County are surrendered upon separation and that a signed, complete employee checklist is obtained and secured with the former employee's personnel records.*

## SCHEDULE 1

SCHEDULE OF OBLIGATIONS VS. BUDGET  
 OFFICE OF THE COUNTY EXECUTIVE  
 JAMES N. ROBEY - COUNTY EXECUTIVE

		<u>FY 2007 TOTAL BUDGETED</u>	<u>FY 2007 TOTAL OBLIGATED</u>	<u>THROUGH 11/30/06 TOTAL UNOBLIGATED</u>	<u>EXTRAPOLATED YEARLY TOTAL</u>	<u>EXTRAPOLATED BUDGET VARIANCE</u>
0100	Salaries & Wages	\$ 628,816	\$ 286,982	\$ 341,834	\$ 688,757	\$ (59,941)
0200	Contractual Services	113,771	44,130	69,641	105,912	7,859
0300	Supplies & Materials	10,800	2,701	8,099	6,482	4,318
0400	Business & Education	75,445	20,534	54,911	49,282	26,163
0600	Other Operating	87,216	12,966	74,250	31,118	56,098
	TOTALS	\$ 916,048	\$ 367,313	\$ 548,735	\$ 881,551	\$ 34,497

## SCHEDULE 2

SCHEDULE OF OBLIGATIONS VS. BUDGET  
HOWARD COUNTY - BY DEPARTMENT  
JAMES N. ROBEY - COUNTY EXECUTIVE

		FY 2007 TOTAL BUDGETED	FY 2007 TOTAL OBLIGATED	THROUGH 11/30/06 TOTAL UNOBLIGATED
001	County Executive	\$ 916,048	\$ 367,313	\$ 548,735
002	County Administration	9,271,958	4,482,068	4,789,890
003	Finance	6,622,254	3,599,209	3,023,045
004	Law	2,902,767	1,280,101	1,622,666
005	Planning & Zoning	5,851,573	2,748,652	3,102,921
006	Police	70,943,018	33,463,783	37,479,235
008	Recreation & Parks	12,660,193	6,665,547	5,994,646
009	Public Works	43,489,240	20,505,599	22,983,641
010	Citizen Services	7,248,990	947,239	6,301,751
011	Corrections	12,159,645	5,921,673	6,237,972
012	Inspections, Licenses & Permits	6,730,595	3,340,846	3,389,749
014	Economic Development	1,024,608	536,930	487,678
015	Technology & Communication Services	754,592	352,100	402,492
016	Transportation Services Coordination	5,419,435	1,015	5,418,420
018	Revenue Authority	200,000	-	200,000
100	County Council	3,069,259	1,298,993	1,770,266
210	Circuit Court	2,246,244	942,780	1,303,464
220	Orphans Court	56,756	29,511	27,245
230	States Attorney	6,024,764	2,854,041	3,170,723
240	Sheriff's Office	5,436,620	2,719,041	2,717,579
312	Libraries	12,907,935	6,453,966	6,453,969
314	Board of Election Supervisors	3,228,556	1,122,018	2,106,538
361	Health & Mental Hygiene	7,427,036	7,427,036	-
362	Menatl Health Authority	289,411	72,353	217,058
364	Social Services	500,349	473,558	26,791
371	Cooperative Extension Service	390,723	198,241	192,482
372	Soil Conservation District	717,484	347,768	369,716
400	County Grants in Aid	4,002,982	2,005,931	1,997,051
450	Employee Tuition Reimbursement	75,000	17,686	57,314
461	Performance Bonuses	500,000	-	500,000
470	Debt Service	64,250,120	36,044,690	28,205,430
480	Pay as You Go Funds	21,282,000	21,282,000	-
490	Contingency Reserve	1,489,360	-	1,489,360
551	Board of Education	393,710,890	141,774,542	251,936,348
552	Community College	20,369,595	8,487,330	11,882,265
	TOTALS	\$ 734,170,000	\$ 317,763,560	\$ 416,406,440